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Chair: Mr. Rosenthal ..... (Guatemala)
Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. Kelapile

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The meeting was called to order at 10.10 a.m.

Agenda item 143: Administrative and budgetary aspects of the financing of the United Nations peacekeeping operations (*continued*) (A/65/610 and Add.1, A/65/624 and Corr.1, A/65/642, A/65/734, A/65/743/Add.12, A/65/760, A/65/761 and Corr.1, A/65/762, A/65/765 and A/65/827)

1. **Ms. Lapointe** (Under-Secretary-General for Internal Oversight Services), introducing the report of the Office of Internal Oversight Services (OIOS) on the thematic evaluation of cooperation between the Department of Peacekeeping Operations/Department of Field Support and regional organizations (A/65/762), said that cooperation between the United Nations and regional organizations was vital in peacekeeping, particularly given the continued high demand for peacekeeping interventions and the limited capacity. Between 2005 and 2010, active cooperation by the Department of Peacekeeping Operations and the Department of Field Support with the African Union and the European Union had improved response capacity and enabled those Departments to provide the Security Council with better analysis and information for its discussions of peacekeeping mandates.

2. Nonetheless, there had been difficulties in mobilizing efforts towards a common objective owing to differing — and at times rigid — organizational structures, procedures and requirements. The Office therefore urged the Departments to use their resources more strategically, to build knowledge of regional partners, to reduce structural overlaps and to advance more vigorously in areas that were likely to have immediate operational benefits.

3. Overall, the two Departments' cooperation with regional organizations had contributed to building knowledge and compiling lessons learned in support of the maintenance of peace and security in challenging situations.

4. Introducing the preliminary OIOS report on the implementation of the pilot project designated by the General Assembly in resolution 63/287 (A/65/765), she said that the project was now in its second year. The Office had established centres of investigation in Nairobi, Vienna and New York whose work was supported by resident investigators in the United Nations Stabilization Mission in Haiti (MINUSTAH), the United Nations Organization Stabilization Mission in the Democratic Republic of the Congo (MONUSCO), the United Nations Operation in Côte d'Ivoire (UNOCI), the United Nations Mission in Liberia (UNMIL), the United Nations Mission in the Sudan (UNMIS), the African Union-United Nations Hybrid Operation in Darfur (UNAMID) and the United Nations Interim Force in Lebanon (UNIFIL). It had become evident that the current arrangement only partially responded to the operational and geographical demands for investigations in peacekeeping missions. Investigative work was most effective when investigators were co-located with military, police and civilian staff on the ground so that they could build trust, establish a support structure and develop an information network. It also ensured that investigators were accessible to staff who wished to discuss concerns. Nonetheless, it might not always be necessary or practical to embed investigators in every peacekeeping mission.

5. Investigations must be able to cast a wide net to ensure that all misconduct reports were dealt with, in particular those involving young victims of sexual exploitation and abuse. She would present the Office's conclusions in a comprehensive report during consideration of the proposed budget for the support account for 2012/13.

6. **Mr. Yamazaki** (Controller), introducing the performance report on the budget of the support account for peacekeeping operations for the period from 1 July 2009 to 30 June 2010 (A/65/610 and Add.1), said that the approved budget for the support account for that period had amounted to $322.6 million, including $28.5 million for the enterprise resource planning (ERP) project. He recalled that the apportionment for information technology requirements for 2009/10 had not included the additional amount of $2,031,860 for the secondary data centre approved by the General Assembly in its resolution 63/269, which was to be absorbed within existing resources. Expenditure for the period had amounted to $318.5 million, leaving an unutilized balance of $4.1 million, for an implementation rate of 98.7 per cent. Since the $28.5 million for the ERP project had not been assessed on Member States, the General Assembly was requested to appropriate and assess the balance of $24.44 million, which was the difference between the approved resources of $294.03 million and the actual expenditure of $318.47 million.

7. Contributing to the variance were additional requirements in respect of post resources attributable to the resources required for salaries of the standing police capacity at Headquarters during the transition period of the transfer to the United Nations Logistics Base at Brindisi; the impact of the human resources reform on mission salary scales and common staff costs for the Internal Audit Division of OIOS, for which no provision had been made in the budget; and lower-than-budgeted vacancy rates in the Department of Peacekeeping Operations. Those requirements were offset by underexpenditure in respect of other services, supplies and equipment, mainly attributable to a delay in the implementation of the cost-sharing arrangement for the new administration of justice system; and lower actual expenditure for after-service health insurance owing to a lower than expected number of claims and a one-month premium holiday for one of the medical plans.

8. Introducing the proposed budget for the support account for 2011/12 (A/65/761 and Corr.1), which amounted to $315.4 million, excluding ERP requirements in the amount of $47.2 million, he said that the proposed resources represented an increase of $8.6 million, or 2.8 per cent, over the resources of $306.8 million approved for the 2010/11 period. A total of 1,356 posts were proposed, consisting of 1,350 continuing posts, taking into account the proposed redeployment of 43 posts from the Logistics Base and the abolishment of 4 posts, and 6 new posts.

9. Pursuant to General Assembly resolution 64/243 and based on the estimates presented in the second progress report on the ERP project (A/65/389), the Secretary-General proposed to fund ERP-related resource requirements of $47.2 million from the support account for 2011/12.

10. Resource requirements of $2.4 million related to the peacekeeping share of post and non-post costs for the administration of justice had been included in the 2011/12 support account budget. The proposed budget also included requirements related to the projected after-service health insurance costs of current peacekeeping retirees in the amount of $8.4 million.

11. The increase in resource requirements resulted partly from the transfer of budgetary requirements of tenant units located at the Logistics Base — namely, the standing police capacity, the standing justice and corrections capacity and the civilian predeployment training team — to the support account in order to provide an overview of total resources dedicated to a particular function or business process in support of peacekeeping. A comparable decrease had been reflected in the proposed budget for the Logistics Base. Net of that amount, the overall proposed resources for the support account for 2011/12 remained at roughly the same level as in the previous period.

12. The Secretary-General had endeavoured to submit disciplined resource requests, taking into account the evolution of peacekeeping missions and the economic climate. A net increase of 45 posts under the support account was proposed, comprising redeployment of 52 posts from the Logistics Base to the support account in connection with the transfer of budgetary resources just mentioned, the redeployment of 9 posts to the Logistics Base from the support account in connection with the global field support strategy, the establishment of 6 new posts — 5 of which were to address the additional workload resulting from the new administration of justice system — and the abolishment of 4 posts. The net increase under post requirements amounted to $4.1 million, representing a 2 per cent increase over the approved resources for 2010/11.

13. A net increase of $4.5 million for non-post resources — an increase of 4.4 per cent over 2010/11 — was attributable to additional requirements for consultants, particularly for implementation of the International Public Sector Accounting Standards (IPSAS); for general temporary assistance, mainly owing to the application of lower projected vacancy rates for newly-approved positions proposed to continue in 2011/12; and for the estimated share of costs for the new system of administration of justice.

14. Further to the study on the evolution of the support account, the results of which had been presented in the support account budget for the period from 1 July 2009 to 30 June 2010 (A/63/767 and Corr.1), a follow-on study had been conducted to develop a conceptual staffing model for the support account. A summary of that study was contained in chapter I, section H, of the proposed budget.

15. Introducing the performance report on the budget of the United Nations Logistics Base at Brindisi for the period from 1 July 2009 to 30 June 2010 (A/65/642), he said that the approved budget for that period had amounted to $57.9 million, while expenditures for the

same period had amounted to $57.9 million, representing full utilization.

16. The proposed budget for the Logistics Base for the period from 1 July 2011 to 30 June 2012 (A/65/760) amounted to $60.5 million, representing a decrease of 11.2 per cent compared to the approved budget of $68.2 million for 2010/11.

17. The decrease was due to the proposed transfer to the support account of budgetary requirements for the tenant units and 52 international staff posts, as mentioned earlier. In addition, the completion of several multi-year capital, infrastructure and renovation projects in 2010/11 had resulted in reduced requirements for the upcoming period.

18. **The Chair** drew the Committee's attention to a statement by the Chairman of the Independent Audit Advisory Committee (IAAC), circulated informally, and to the IAAC report on the budget of OIOS under the support account for peacekeeping operations for the period from 1 July 2011 to 30 June 2012 (A/65/734).

19. **Ms. Malcorra** (Under-Secretary-General for Field Support), introducing the report of the Secretary-General on strengthening the capacity of the United Nations to manage and sustain peacekeeping operations (A/65/624 and Corr.1), said that the report set out the strategic and operational benefits, as well as the challenges, of the restructuring of the Department of Peacekeeping Operations and establishment of the Department of Field Support, as well as the adjustments proposed to consolidate the gains achieved. The report referred to a 2010 survey of peacekeeping and special political missions that had mirrored a 2008 OIOS survey in order to ensure consistency in determining the impact of the process in the field. The survey and other feedback and performance metrics had indicated demonstrable improvements in the Organization's capacity to manage and sustain peacekeeping operations.

20. The creation of the Department of Field Support had made mission support a strategic enabler for the implementation of political, peacekeeping and peacebuilding mandates in field operations. Two business models had been developed to further professionalize the management of peacekeeping: a strategic Headquarters that delivered guidance and support and a service provider that delivered specialized expertise to the field. Augmented management capacities had strengthened direction and oversight of peacekeeping and field support activities and the development of clearer performance standards. Integrated operational teams had demonstrated their value in providing integrated strategic and operational guidance and support to field missions. The establishment of the Office of Rule of Law and Security Institutions would make the delivery of peacebuilding mandates in those two areas more coherent. The sharing of resources by the two Departments had yielded organizational coherence and economies of scale in such areas as programme planning, communications and information management, situational awareness, crisis response, policy, training and evaluation. The joint business process improvement initiative by the Department of Management, the Department of Peacekeeping Operations and the Department of Field Support had led to improvements in planning, personnel and procurement.

21. The Department of Peacekeeping Operations and the Department of Field Support had built an institutional framework, including joint decision-making structures and a command and control policy, which ensured unity of command and integration of effort. An evaluation of command and control issues was currently under way, to be followed by a review of the policy. The Secretary-General's bulletins on the structure and reporting lines of the two Departments (ST/SGB/2010/1 and 2) had clarified roles and responsibilities. Missions had responded positively to the delegation of authority over all mission components to the special representative of the Secretary-General or the head of mission; that had strengthened unity of command. The reporting lines of non-Headquarters-based units under the support account had been refined.

22. Despite progress towards the objectives of the restructuring, challenges remained. The optimal functioning of the integrated operational teams had not yet been achieved. The results of measures taken to enhance the support delivered by the teams were presented in a separate report of the Secretary-General (A/65/669). The concept of integrated operational teams and its application should be kept under review and the teams' effectiveness should continue to be enhanced.

23. The Department of Political Affairs increasingly relied on the new or strengthened specialist capacities in peacekeeping for the backstopping of its missions. Mindful of the General Assembly's calls for support account funds to be used solely for backstopping

peacekeeping operations unless it gave prior approval, the peacekeeping Departments, together with the Department of Political Affairs and the Department of Management, were reviewing the current funding and backstopping arrangements for special political missions; the results would be presented to the General Assembly at its sixty-sixth session.

24. Minor, cost-neutral structural adjustments in the two peacekeeping Departments were being proposed: the renaming of the Peacekeeping Best Practices Section of the Department of Peacekeeping Operations as the Policy and Best Practices Service; the establishment of the Selection and Recruitment Section in the Police Division using existing resources from the Mission Management and Support Section; and reorganization of the Field Budget and Finance Division.

25. **Mr. Le Roy** (Under-Secretary-General for Peacekeeping Operations) recalled that the "new horizon" initiative begun in 2009 was intended to reform peacekeeping in four priority areas: achieving greater coherence around critical policy issues; generating the right quantity and quality of capabilities for field operations; making field support more efficient and cost-effective; and strengthening the planning, management and oversight of peacekeeping operations. Triangular consultations among the Security Council, troop-contributing countries and the Secretariat had been strengthened, as had mission mandate review and briefings on technical assessment missions. The Special Committee on Peacekeeping Operations had recently reached consensus on policy issues that would guide the strategic approach to the implementation of peacekeeping mandates.

26. Following a seven-year period of historic deployment levels, peacekeeping was now in a period of consolidation. Approximately 123,000 field personnel were deployed in 14 peacekeeping operations and one special political mission led by the Department of Peacekeeping Operations, with an annual supporting budget of approximately $7.6 billion. The Department of Field Support also backstopped 17 special political missions and field presences and had lead responsibility for support to the African Union Mission in Somalia (AMISOM) and 8 missions in liquidation. Without prejudging Security Council decisions, preparations were beginning for a transition in the Sudan following the recent referendum.

27. The missions in Darfur and the Democratic Republic of the Congo faced major challenges in implementing their mandates to protect civilians and respond to threats from spoilers. In Haiti, MINUSTAH had required resilience during a lengthy period of crisis following the January 2010 earthquake. In Côte d'Ivoire, UNOCI had adapted to volatile operational situations during the violence that had followed the elections. In that instance, with the political will of the Member States, the United Nations had defended a principled position and contributed to sustainable peace. Such challenges underscored the need for support to peacekeeping operations and a shared view of the strategic direction of United Nations peacekeeping by the different governing bodies.

28. The 2011/12 budget proposals for the support account and the Logistics Base (A/65/761 and A/65/760) reflected a more strategic approach to planning and a more accurate and transparent presentation of the full resource requirements for support to peacekeeping operations. The two sets of proposals had been developed as a package in order to locate resources where they could perform their functions most effectively; units would be funded on the basis of their functional reporting lines rather than their geographical location. The proposals took into account the constraints of the global financial climate and the need to use resources efficiently while also seeking sufficient resources to deliver peacekeeping mandates. They reflected the initial phase of the Global Service Centre reprofiling exercise, with the proposed redeployment of nine posts and one general temporary assistance position performing functions related to information and communications technology asset management; global education grant processing; financial systems technical support; field contracts management; and airfield/air terminal standards functions. The changes would result in a 2.2 per cent reduction in overall resources requested compared to the appropriations for 2010/11.

29. The progress of the reform and improvement of peacekeeping demonstrated the sustained commitment of the Department of Peacekeeping Operations and the Department of Field Support to adapting and improving to meet the evolving requirements of United Nations peacekeeping. Their contribution to broader initiatives such as Umoja and IPSAS implementation showed their dedication to improving the Secretariat's effectiveness and efficiency.

30. In conclusion, he paid tribute to the dedication of personnel serving in United Nations peacekeeping operations and particularly to those who had perished in the service of peace.

31. **Mr. Kelapile** (Chairman of the Advisory Committee on Administrative and Budgetary Questions), introducing the Advisory Committee's report on strengthening the capacity of the United Nations to manage and sustain peacekeeping operations and financing of the peacekeeping support account (A/65/827), said that the restructuring of the Department of Peacekeeping Operations and the Department of Field Support and the capacities added should lead to more efficient management of the backstopping of peacekeeping operations. The Advisory Committee recommended that the General Assembly should take note of the Secretary-General's report on that subject (A/65/624).

32. The Advisory Committee noted the results of the study carried out to develop staffing models and formulas for determining support account requirements. It was the Secretariat's responsibility to develop proposals in that regard and to decide what constituted a core or basic capacity necessary to manage and backstop peacekeeping operations and what constituted a scalable capacity that responded to changes in the level of peacekeeping activity. However, such proposals should be accompanied by an assessment of existing management capacities, structures and processes and should take all available resources into account. The current consolidation in the level of peacekeeping should potentially lead to a further reduction in the proposals for backstopping resources, in view of the increases provided in recent years.

33. The Advisory Committee recommended that consideration should be given to presenting budget proposals for the support account and the Logistics Base in a single report in order to provide an overview of support costs and avoid fragmentation of their presentation.

34. The Secretary-General had proposed resources in the amount of $315.3 million for the 2011/12 support account budget, excluding the amount of $47 million for ERP requirements. The increase of $8.6 million was mostly related to the shift of requirements for 52 posts from the Logistics Base budget to the support account budget and to resources related to IPSAS implementation and the support account share of the requirements for the administration of justice. The temporary posts proposed included six new posts; the Advisory Committee recommended that two of them should be approved and that the functions of the remaining four should be provided under general temporary assistance. It also recommended the abolishment of one post and the reinstatement of one general temporary assistance position whose elimination had been proposed. Those recommendations would lead to a reduction of $1,739,900 in the Secretary-General's proposals; the details of the Advisory Committee's recommendations were set out in paragraphs 82 to 244 of its report (A/65/827).

35. The Advisory Committee had taken note of the preparatory work undertaken and the timeline of activities to be accomplished in preparation for the transition to IPSAS in 2014. It recommended that the Secretary-General should monitor and oversee that work and would revert to the matter during its consideration of the next progress report on the IPSAS project.

36. The shortcomings associated with the roll-out of the talent management system, Inspira, should be rectified to ensure that vacant positions in field missions were filled without further delay, as requested in General Assembly resolution 65/247.

37. With regard to the performance report on the budget of the support account (A/65/610 and Add.1), the Advisory Committee recommended that the General Assembly should appropriate and assess the additional amount of $24.4 million relating to the commitment authority provided to the Secretary-General for the ERP project, which had not been assessed.

38. Introducing the Advisory Committee's report on the financing of the Logistics Base (A/65/743/Add.12), he said that the Advisory Committee recommended approval of the proposed budget of $60,528,400 for the Logistics Base for 2011/12.

39. In its cross-cutting report on peacekeeping issues (A/65/743), the Advisory Committee commented on the Secretary-General's proposals for the reprofiling of the Logistics Base as part of the new service delivery model under the global field support strategy. The proposed budget for the Base set out a three-phase approach for that reprofiling, with five backstopping functions to be transferred from Headquarters in the first phase. The Advisory Committee recommended

approval of the proposed transfers, but requested that future proposals should be based on more complete analysis.

40. The Secretary-General proposed to streamline existing support capabilities at the Logistics Base to support its reprofiling as the Global Service Centre. The time was opportune to review administrative processes and eliminate inefficiencies and duplications. Improved methods should lead to economies in future requirements for human and financial resources.

41. The Advisory Committee had noted that the budget proposals for the three remaining tenant units — the Integrated Training Service, standing police capacity and standing justice and corrections capacity — had been submitted under the support account while the units would continue to be located at the Logistics Base. The Advisory Committee had made suggestions to avoid fragmentation in the report on the financing of the support account as further functions were transferred from Headquarters.

42. The Advisory Committee had requested the Secretary-General to provide, in the context of the next budget submission, the findings of the review of strategic deployment stocks currently under way as part of the global field support strategy and a proposal for the efficient and effective management of those stocks.

43. **Mr. Di Luca** (Argentina), speaking on behalf of the Group of 77 and China, said that peacekeeping operations must have the necessary resources — including backstopping resources — to fulfil their mandates during every phase. The level of the support account should correspond broadly to the mandate, number, size and complexity of missions. Genuine partnership between the Secretariat and troop-contributing countries on all aspects of peacekeeping support was crucial.

44. There was considerable room for improvement in the representation of troop-contributing countries in senior management, both at Headquarters and in the field, to ensure coherence between those who managed operations and those who provided the human resources on the ground. The Group was concerned at the continuing low proportion of women from developing countries in the Secretariat, especially at senior levels.

45. **Mr. Kaegi** (Switzerland), speaking also on behalf of Liechtenstein, said that the support account, which had grown substantially in the previous five years, no longer covered simple backstopping functions but had evolved into an overarching centre for support services with greater focus on oversight and strategic management. Now that the growth in peacekeeping operations had ended and the reforms had begun to deliver the expected benefits, the General Assembly should seize the opportunity to contemplate the future evolution of the support account, which was probably not being managed as efficiently or systematically as it could be, given the Assembly's tendency to micromanage it rather than to take strategic decisions. The roles and responsibilities of all parties involved should be examined on the basis of the recent studies on the evolution of the account.

46. **Ms. Takahashi** (Norway) said that the Secretary-General, in seeking to address the challenges posed by the diversity of funding streams, budget cycles and planning mechanisms for special political missions, should recognize that those challenges were also relevant to missions with multidimensional mandates within the wider United Nations system, and should pay particular attention to the lines of accountability and organizational procedures for joint programmes and the financing of programmes funded by both assessed and voluntary contributions.

47. She welcomed the progress made in establishing the Global Service Centre at Brindisi and the Regional Service Centre at Entebbe. The development of standardized modules was also noteworthy; care must be taken to ensure that they remained flexible.

48. The Secretary-General's focus on partnerships and dialogue with key stakeholders was commendable. A regional review of civilian capacities in the aftermath of conflict could facilitate the provision of civilian staff from neighbouring countries for missions.

49. A single report covering the support account and the Logistics Base would provide a more comprehensive view of backstopping expenditure for peacekeeping operations. Such a presentation should, however, take into account the fact that some backstopping services would also be provided to the wider United Nations system.

The meeting rose at 11.30 a.m.